



Dear Members of the Committee on Local Government,

My name is Matthew Shapiro and I am the legal director of the Street Vendor Project (SVP) at the Urban Justice Center. SVP is a membership-based organization of over 2,000, mostly immigrant, street vendors who work in New York City's public spaces selling food and merchandise. We organize vendors to have their voices heard as well as provide legal and small business assistance.

Street vendors are New York State's smallest businesses, and are an essential part of the fabric of New York City's culture and economy. Nearly 20,000 entrepreneurs, primarily immigrants, people of color, military veterans and women, are employed as street vendors, many existing as part of a shadow economy of workers unable to acquire necessary business licensing to legitimize their business.

An arbitrary cap on the number of general merchandise licenses and mobile food vendor permits, placed in 1979 and 1983 respectively created a punitive system in which would-be entrepreneurs have been forced to either rent a permit from existing permit-holders on an underground market for up to \$25,000, or vend without a permit, facing \$1,000 fines, property confiscation, or even arrest.

There are currently only 853 licenses available for non-veteran general vendors who sell merchandise, with a waitlist of 12,000 New Yorkers. The demand for general vendor licenses is so large, the waitlist itself has been closed for applications for nearly a decade. As of 2016, there were 5,884 individuals on the waitlist to acquire a mobile food vendor permit. The waitlist itself has been closed for applications since 2007.

In my role as SVP's legal director I have represented hundreds of street vendors who have received \$1,000.00 fines for vending without a permit or license. Unfortunately I can provide little helpful advice for these vendors since permits and licenses for food and general vendors are almost impossible to obtain due to the antiquated City laws.

We urge the state legislature to include a one time allocation of \$19 million in this year's budget to formalize the street vending industry in cities with a population of one million. This allocation is supported by language in S1175 sponsored by State Senator Jessica Ramos / A5081 sponsored by Assemblymember Jessica González-Rojas, and was included in the Black Puerto Rican Hispanic Asian Caucus People's Budget.

The time is now to formalize the street vending industry, and end the system that is criminalizing valued community members and would-be entrepreneurs. It is the responsibility of the state to act, to effectively regulate this industry, create good jobs for New Yorkers, and

increase sales tax revenue for the state. Including street vendor formalization in this year's budget will benefit our state's smallest businesses, benefit the state with increased sales tax revenue, and create good jobs for New Yorkers to be the owners of their own small businesses.

In conclusion, we request that both chambers of the legislature allocate \$19 million in funding and include legislative language in other one-house budget bills and advocate for its inclusion in the final state budget to formalize the street vending industry.

Sincerely,

*Matthew Shapiro*

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